

Vietnam Aide Says Politics Came Up at Talks on Enemy Strength

By M. A. FARBER

Under relentless cross-examination, a witness for Gen. William C. Westmoreland in his libel suit against CBS testified yesterday that political and public relations concerns had been injected into a high-level 1967 discussion on enemy troop strength in South Vietnam.

But the witness, Brig. Gen. George A. Godding, denied that these concerns had influenced his presentation of figures on enemy troop strength as General Westmoreland's chief delegate to a conference that year at Central Intelligence Agency headquarters in Langley, Va.

David Boies, the CBS attorney — drenched with sweat as he pressed his interrogation — elicited further acknowledgements from General Godding:

¶That contrary to General Westmoreland's decision, he believed that Vietcong self-defense and secret self-defense forces should have been counted and their numbers made known to American troops.

¶That while those forces were no longer counted "when they were alive," they were sometimes numbered among enemy casualties, thus reducing the size of the enemy in official statistics.

¶That wide distribution was given a 1967 report that said the enemy was losing more forces than it could replace.

Rapid Cross-Examination

Typical of Mr. Boies's rapid-fire cross-examination, which was tougher than at any time previously during the trial, was an exchange that followed General Godding's admission that he did not know how many of the enemy's self-defense and secret self-defense forces were armed.

Q. Do you know approximately?

A. Ten percent.

Q. Is that based on any study, sir?

A. No.

Q. Have you talked to anyone who told you that it was 10 percent?

A. No. But, basically, very few of the old women and children [in those forces] were armed.

Q. How do you know that?

A. That is based on my experience in World War II in Europe.

Q. Was World War II a guerrilla conflict?

General Godding, who was director of intelligence production in Vietnam for seven months in 1967, likened the Vietcong self-defense forces to elements of the German home guard.

'Made Aware' of Concerns

On the stand in Federal District Court in Manhattan, General Godding testified that political concerns should not have been an element of official discussions of the size and capabilities of the enemy. But he said that while serving at General Westmoreland's chief delegate to the August 1967 conference at the C.I.A. headquarters in Virginia, he was "made aware" of those concerns by his superiors.

The 1982 CBS Reports documentary that led to General Westmoreland's \$120 million libel suit maintained that the military command in Saigon had imposed an arbitrary ceiling of 300,000 on enemy strength in 1967 to give the appearance that the United States was winning the war.

Between May and August 1967, the official military listing known as the order of battle carried enemy strength at a total of 297,000: 120,400 regular North Vietnamese and Vietcong troops; 24,800 administrative personnel; 39,000 political cadre, and 112,800 irregulars — including about 70,000 self-defense and secret self-defense forces who planted mines, set booby traps and served as "fifth columnists."

In May, however, General Westmoreland's chief of intelligence, Maj. Gen. Joseph A. McChristian, had concluded that the political cadre, the guerrillas and the self-defense and secret self-defense forces had been heavily underestimated. The self-defense and secret self-defense forces alone, he said before his departure from Vietnam in June 1967, were in the neighborhood of 117,000.

Around this time, the C.I.A. decided to prepare for President Johnson a spe-

cial national intelligence estimate on enemy strength, which would also affect the figure in the order of battle. And the August meeting attended by General Godding was intended to set a figure on which the C.I.A., General Westmoreland's command, and other intelligence agencies could agree.

But a dispute arose because General Westmoreland wanted to eliminate from the order of battle a figure for self-defense and secret self-defense forces — he said they lacked offensive combat capability — and some C.I.A. officials wanted to include an even higher figure for them than General McChristian had arrived at. Moreover, the C.I.A. wanted to include in the total as many as 90,000 political cadre, while General Westmoreland wanted that category enumerated but not continued as part of the order of battle total.

At the Langley conference, which did not resolve the dispute, the total advanced by General Godding was 298,000, perhaps 200,000 less than the total sought then by the C.I.A.

Last Thursday, on his direct testimony, General Godding said he had taken the military's "best estimates" to the conference. And he adhered to that position yesterday.

Showed Deposition

But Mr. Boies showed him a deposition he made last year in which he said he was unaware before the Langley conference of a dispute over the figure

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to be included in the order of battle and the estimate for the President. At another point in his deposition, General Godding said that no one had told him of "political or public relations aspects" surrounding the figure either before, during, or after the Langley meeting.

General Godding, who completed his testimony yesterday and will be followed by Everette S. Parkins, a former military intelligence officer in Vietnam, said he had been mistaken in the deposition.

The general now said he had received no "political or presentational restrictions or guidance" from General Westmoreland or anyone else before the meeting. But once he was at Langley, Gen. Phillip B. Davidson Jr., who had succeeded General McChristian as chief of intelligence, had alerted him to such concerns. General Davidson, he said, had also vetoed his request that the military negotiate a range for enemy strength rather than a single figure.

General Godding acknowledged that General Davidson had sent him a cable at Langley saying that a figure of 420,000, including the self-defense and secret self-defense forces, had "surfaced" in Saigon and "stunned the Embassy and this headquarters" and was completely "unacceptable." The cable said the military would "not accept" a total in excess of the one then "carried by the press" — 297,000.

Mr. Boies closed in on the witness, his voice rising.

Q. Did you understand that it was your obligation and the obligation of others to come up with your best estimate?

A. Yes.

Q. Did you understand that it was your obligation and the obligation of others to come up with your best estimate unaffected by political or public relations concerns?

A. That's correct.

Mr. Boies then showed General Godding a July 1967 cable from George A. Carver, the chief of Vietnamese affairs for the C.I.A., to Richard Helms, the director of Central Intelligence.

In the newly declassified cable, which concerned a possible accord on an enemy strength figure, Mr. Carver said General Davidson's "chief problem was political and presentational one of coming out with brand new set of figures showing much larger Communist force at time when press knew" that General Westmoreland was seeking more troops.

"You see that?" Mr. Boies said.

"I do," said General Godding, still insisting that, whatever had passed between General Davidson and Mr. Carver, he was unaware of it before August.

On redirect examination, General Godding said that General Westmoreland had never instructed him to consider political concerns in determining intelligence estimates.

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AMERICANS REBUT ISRAELI VERSION OF 1967 ATTACK ON SHIP
BY DAVID SMYTH
NEW YORK

STAT

Israel maintains its 1967 attack on an unarmed U.S. intelligence ship, which killed 34 U.S. servicemen, was an accident. Others believe it was intentional. The writer, an editor in the Associated Press World Services department, has interviewed principals in the incident and researched new information for this report.

Fresh details and accusations have surfaced over an Israeli air and sea attack on an U.S. Navy ship 17 years ago that, by top-level American and Israeli accounts, came close to provoking a head-to-head U.S.-Soviet battle.

On June 8, 1967, in the midst of the six-day Arab-Israeli war, Israeli warplanes and gunboats attacked the USS Liberty, a lightly armed American naval intelligence vessel, in the Mediterranean Sea off the Sinai coast.

Thirty-four Americans died and 171 were wounded. Fearing the attack had come from the Soviets, President Lyndon B. Johnson ordered armed aircraft from U.S. Sixth Fleet carriers into the air.

According to Johnson's memoirs, a superpower confrontation was avoided only after a flurry of messages on the Washington-Moscow hotline, in which the Soviets threatened "military intervention" in the Middle East and Johnson responded by moving the Sixth Fleet closer to Syria, a Soviet ally.

The still outstanding question in this incident is whether Israel intentionally attacked the U.S. ship, or whether _ as two Israeli journalists said in a recent article, quoting Israeli government documents _ it was a "tragic accident" of mistaken identity.

Top U.S. diplomatic, intelligence and military officers of that time _ including former Secretary of State Dean Rusk _ and the surviving Liberty crewmen say it was no accident. The two Israeli journalists acknowledge that the "question remains open."

George H. Golden, a lieutenant on the Liberty who became the ship's second in command when the executive officer was killed in the attack, told The Associated Press he had "proof" from radio monitoring records that the Israeli planes and gunboats had referred to the Liberty as an American ship before attacking it.

"It is ridiculous to say this was an accident," retired Adm. Thomas H. Moorer, who was U.S. Chief of Naval Operations in 1967, said in a telephone interview.

"The (Israeli) article comes very short of putting the matter to rest. In the real world, there is no way it could have happened" the way the Israeli journalists describe it, he said.

"Congress should investigate this matter, even now, 17 years later," said Moorer, who is currently a senior consultant at the University of Georgetown's Center for Strategic and International Studies.

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STAT

DIANA HEARS

HARNESSING THE HEAVIES . . . Meanwhile, Dick Francis, former tiptop British jockey and now a tiptop mystery writer, gallops to town tonight to feel his oats at a meet at the Jockey Club. You see, darlings, a big hunk of Dick's latest whodunit, "The Danger," is set right there. Heavies like

Jim Lehrer and former CIAer Richard Helms are cantering in to shake Dick's tiny hand and confess that he's their Absolutely Favorite Secret Read. Don't be shy, darlings. He's Queen Elizabeth II's odds-on fave too. Ear is cheering from the stands.

Rostow Says Johnson Was Informed Of Dispute on Vietnam Foe's Forces

By M. A. FARBER

Walt W. Rostow, President Johnson's Special Assistant for National Security Affairs, testified in Federal Court here yesterday that as early as a year before the Tet offensive of 1968, he informed the President of an unresolved dispute among intelligence analysts over the scope of enemy strength in South Vietnam.

Mr. Rostow, whose long answers often amounted to a discourse on the methods used by the Johnson White House to keep itself informed on the progress of the war, took the stand as the first witness for the plaintiff in the \$120 million libel suit against CBS by Gen. William C. Westmoreland.

As an aide whose office was "30 seconds" from Mr. Johnson's — with "a little bit of running" — Mr. Rostow said he had firsthand knowledge of what President Johnson was told about such issues as the intelligence "debate," statements by General Westmoreland and the rate of North Vietnamese infiltration into South Vietnam before the Tet offensive in January 1968. All are issues in the trial.

General Westmoreland, who was commander of United States forces in Vietnam from 1964 to 1968, contends that CBS, in a 1982 CBS Reports documentary titled "The Uncounted Enemy: A Vietnam Deception," libeled him by saying he had deceived President Johnson and the Joint Chiefs of Staff about the size and nature of enemy forces in South Vietnam in the year prior to the Tet offensive.

General Westmoreland specifically accused CBS and several other defendants of saying that the general had arbitrarily set a ceiling of 300,000 on enemy strength, suppressed reports from his officers of a higher enemy presence and a higher rate of North Vietnamese infiltration than was made known, and engineered a cover-up of the truth after the offensive.

Argue Over Evidence

Mr. Rostow, now a professor of political economy at the University of Texas, took the stand more than two hours after court began at 10 A.M. Most of the morning session was consumed by lawyers' arguments before Judge Pierre N. Leval over the admissibility of various cables, memoranda and other documents.

Judge Leval, who had earlier predicted a trial of 10 weeks to four months, warned the lawyers that it could take "12 years" if they did not take greater pains, outside of court hours, to agree on potential exhibits.

The judge underscored a theme he has sounded since jury selection began last Tuesday — that the case does not pivot on whether President Johnson was actually deceived by General Westmoreland but whether the general "sought to deceive" him by providing "bad, politically-motivated, arbitrary data."

Although "it may be interesting historically," the judge said, it was irrelevant to the case whether the President was "able to differentiate his many sources." On those grounds, the judge ruled out several documents that, he said, tended to establish what the White House knew rather than what General Westmoreland's role was in furnishing the information.

Rostow Memo Excluded

The documents were offered by Dan M. Burt, General Westmoreland's lawyer, often over the objection of David Boies, the lawyer for CBS, who began cross-examining Mr. Rostow late yesterday afternoon.

Among the documents excluded was a secret memorandum from Mr. Rostow to the President on Jan. 20, 1967 that began: "As you know, a debate continues on the absolute size of the enemy order of battle in Viet Nam."

The order of battle is the official military listing of enemy strength.

Despite the exclusion of the secret memorandum, Mr. Rostow testified that a month after he learned of the debate on the size of enemy strength from the C.I.A. he "informed" the President about it.

Before Mr. Rostow testified, Mr. Burt drew the jury's attention to several statements made by Mike Wallace, the chief correspondent on the CBS documentary, in his narration on the program. In one, Mr. Wallace spoke of General Westmoreland's "dilemma" in having to take "bad news" to the President. In another, Mr. Wallace said General Westmoreland admitted that he "chose not to inform the Congress, the President, not even the Joint Chiefs of Staff, of the evidence collected by his intelligence chief, evi-

dence which indicated a far larger enemy."

Mr. Rostow, a bespectacled figure in a gray pin-striped suit, testified that General Westmoreland was under no pressure to provide good news to the President.

1967 Meeting Recalled

Mr. Rostow recalled, under questioning by Mr. Burt, a meeting he attended at the White House in April 1967 among General Westmoreland; President Johnson; Robert S. McNamara, the Secretary of Defense; Dean Rusk, the Secretary of State; Richard Helms, the Director of Central Intelligence; and Gen. Earle Wheeler, the Chairman of the Joint Chiefs of Staff.

Mr. Rostow, speaking in a low, measured voice, said the meeting "focused rather sharply" on whether 200,000 additional United States forces, which General Westmoreland was seeking, would shorten the war.

General Westmoreland, Mr. Rostow said, was asked for his view and explained that "we were making slow progress" but that he "couldn't guarantee" a date by which the enemy would "desist from aggression." When pressed on the subject, perhaps by Mr. McNamara, Mr. Rostow testified, General Westmoreland said that the war would last "something like five years at the present level" of United States forces and "something like two years" with a large infusion of fresh troops.

Script for Documentary Read

"He rather reluctantly gave in to offering a reasonably concrete time dimension," Mr. Rostow testified.

Mr. Burt then read aloud a passage

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from the documentary in which Mr. Wallace referred to that April 1967 meeting and said: "But on this day Westmoreland had mostly good news to offer his Commander in Chief. The Vietcong's army, he said, had leveled off at 285,000 men. And best of all, he told the President, the long-awaited crossover point had been reached. We were now killing or capturing Vietcong at a rate faster than they could be put back in the field. We were winning a war of attrition."

Mr. Rostow said Mr. Wallace's statement did not agree with his "memory of the meeting or the tone of it."

"I do not recall such a 'good news' tone," Mr. Rostow said.

Nor, Mr. Rostow testified, did he remember General Westmoreland saying that the enemy forces had leveled off at 285,000, or that a "crossover had been reached" or that "we were winning a war of attrition."

Interview Distributed

During a break in Mr. Rostow's testimony, John Scanlon, a public relations representative for CBS, gave reporters the transcript of unused portions of an interview CBS conducted with General Westmoreland for the broadcast. In the excerpt, which appears to deal with the same meeting that Mr. Rostow recalled, the general says that he advised the President that enemy forces had stabilized at 285,000.

Mr. Rostow testified that "home guard" forces of Vietcong had been dropped from the order of battle in November 1967, not to minimize the strength of the enemy, as the documentary asserted, but because their num-

bers were uncertain and they were not a major offensive threat.

He said, too, that President Johnson and other senior Government officials had used top secret information supplied by the National Security Agency to closely monitor North Vietnamese infiltration into South Vietnam in the months before the Tet offensive. The documentary maintained that General Westmoreland's command "systematically blocked" reports of mounting

North Vietnamese infiltration.

Mr. Rostow, who will be further cross-examined today, was interviewed for the CBS documentary but none of his remarks were used on the program.

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Tough Slog

Megabuilder Bechtel Tries to Stay on Top By Being Aggressive

**As Huge Jobs Grow Fewer,
It Drums Up New Work
And Stresses Financing
A Dynasty Among Dynasties**

By VICTOR F. ZONANA
Staff Reporter of THE WALL STREET JOURNAL
SAN FRANCISCO — The megabuilding
business is undergoing megachanges.

Bechtel Group Inc. built itself into the world's biggest engineering and construction company through technological excellence, a reputation for completing tough jobs on time and within budgets and, some say, a knack for making friends in high places.

But those attributes aren't enough any more for the world-wide builder of pipelines, power plants, refineries, mines, dams and other huge projects. Energy conservation, high interest-rates, foreign competition and the world debt crisis all are taking their toll on Bechtel. To stay on top, the company must adapt to a business climate far harsher than the petrodollar prosperity that prevailed during the 1970s.

So Bechtel is plunging into the hotly competitive market for smaller construction jobs. It is positioning itself for future growth in new technological and geographical markets. Perhaps most important, it is honing its skills in a practice known as "financial engineering." Like a car dealer who helps customers get auto loans, but on a far grander scale, Bechtel now will search the globe for billions of dollars so that cash-strapped customers can build their projects.

"It's almost typical now," says Alden Yates, who succeeded George Schultz as Bechtel's president in May 1983, after Mr. Schultz became secretary of state. In much of the Third World, "you can't get a job unless you bring money," the 56-year-old Mr. Yates says.

Nobody Does It Better

The money comes from banks, institutional investors, government-financed export-credit agencies and international development organizations. "Nobody does a better job [than Bechtel] of putting together complex financing packages," says William Deasy, the president of Morrison-Knudson Co., a Bechtel competitor, based in Boise, Idaho.

To smooth relations with export-credit agencies around the world, Bechtel recently hired John L. Moore Jr., former head of the U.S. Export-Import Bank, as executive vice president of Bechtel Financing Services Inc., the company's financing arm. Mr. Moore joined a large roster of former government officials in Bechtel's pay, including former CIA director Richard Helms and former deputy energy secretary W. Kenneth Davis, both of whom are Bechtel consultants. (In addition, Mr. Schultz and defense secretary Caspar Weinberger were Bechtel executives between stints in government.)

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EXCERPTED

FBI arrests one of its own in spy case



By Paul Clancy
and Sam Meddis
USA TODAY

It was, FBI Director William Webster said Wednesday, a "very sad day."

In the first case of its kind, an FBI agent, Richard W. Miller, was arrested Tuesday on charges of passing secrets to Soviet KGB agents.

Miller, a 20-year veteran, is accused of giving a female Soviet agent documents the FBI says would give "a detailed picture of the FBI and U.S. intelligence activities, techniques and requirements."

By Barbara Ries
WILLIAM WEBSTER:
'Sad day' for the bureau

The case gives a dramatic glimpse of the KGB's spy network and the U.S.'s counters to it. And the case shows that despite high-tech wizardry, spying may come down to old-fashioned motivations: money and human chemistry.

Clearly, the FBI was shaken by the incident.

Webster said the case was "an aberration on the proud record of patriotic and dedicated service" of the FBI. Spokesman John Hoos said at a Los Angeles press conference the bureau was feeling "very sensitive."

Miller is hardly classic James Bond. At 47, he's the father of eight, paunchy and graying. The alleged Russian

agent, Svetlana Ogorodnikova, 34, is hardly a Mata Hari. At her arraignment yesterday, she appeared plain. She is slight, about 5 feet tall, and has short straight blond hair, a sharp nose and sunken cheeks.

Svetlana and her estranged husband, Nikolay Ogorodnikov, "both covert agents" the government says, had been under surveillance since 1980. She was a nurse; he was a butcher. They lived upstairs in a simple stucco building just off Sunset Boulevard in Hollywood. But Svetlana, the FBI has charged, was a major in the KGB.

According to the FBI's affidavit filed Wednesday, Miller — who met Svetlana in his job interviewing Russian emigres — was in financial trouble and Svetlana offered a "sympathetic" ear and a way out of his money troubles.

The FBI said Miller admitted demanding \$50,000 in gold for delivering the documents and in August requested \$7,000 in cash plus \$1,000 in expenses.

Miller was denied bail at a hearing Wednesday in San Diego because, federal prosecutors said, "Flight is a real strong risk."

If he is found guilty, Miller could face life imprisonment.

John Moot, a federal public defender who represented Miller at the bail hearing Wednesday, said, "I can tell you right now he's going to enter a plea of not guilty."

Despite many pages of admissions, Moot said, "Those statements are going to have to be looked at very closely" to be sure they were correctly obtained. "There are a lot of unanswered questions."

Miller's arrest was the third case of alleged espionage brought to light in the past two days, an indication, some experts said, of a tough new policy of cracking down on Soviet operations and information leaks.

■ On Tuesday, the FBI announced the arrest of Samuel Loring Morison, 40, an analyst with the Naval Intelligence Support Center at Suitland, Md., on charges of giving three classified photographs of a Soviet aircraft carrier to the British publication, *Jane's Defence Weekly*.

■ Also Tuesday, Alice Michelson, 67, an East German, was charged with receiving classified information from an Army sergeant working as a double agent.

The affidavit said Miller, "admitted having numerous personal meetings with Ogorodnikova from late May 1984 to late September 1984." The FBI refused to confirm press reports that the two were romantically involved.

Said Allan E. Goodman, associate dean of Georgetown University's School of Foreign Service: "It's a reminder that if all the allegations of falling in love are true, even in an age of very sophisticated electronic spying, the old methods sometimes work best."

Added former CIA agent Walter Pforzheimer, "If (the KGB) found somebody in straits, particularly financial, it's quite a classic case, it's a classic technique."

Agents observed four September meetings between Miller and Svetlana.

"This," says John K. Greaney, executive director of the Association of Former Intelligence Officers, "demonstrates how bold the Soviets are to make this kind of move. They're relentless. They feel pretty confident nobody is watching what they're doing here... They go as far as they can until they get caught. They're like a vacuum cleaner — they want to collect anything."

Former CIA Director Richard Helms said the KGB got more sophisticated under the late Yuri Andropov. Helms was CIA head when Andropov ran the KGB. "Andropov did a lot to modernize the KGB and sort of bring it into the 20th Century," he said. But Helms said the Miller case doesn't appear to reflect much sophistication. The KGB may simply have found a "vulnerable target" in the FBI, Helms said.

Highlights of the FBI's affidavit:

■ Miller admitted to FBI agents that he had numerous meetings with Svetlana from May to September 1984. Miller told her about his "personal, professional and financial problems." Miller also told her that he was an analyst for the FBI and had access to FBI documents marked "secret."

■ On August 12, 1984, Svetlana asked Miller if he would be willing to work for the KGB, copying FBI documents "for which he would be paid very well by her government."

■ On August 24, 1984, Miller and Svetlana traveled from Los Angeles to San Francisco. She delivered film canisters to the Soviet consulate in San Francisco. She told Miller that she used canisters to transport reports and messages to the consulate.

Goodman said the significance of the case is not that there may have been a "rotten apple" in the FBI — "but that the Soviet KGB is a very large, very sophisticated, very dedicated intelligence service and it's constantly targeting the U.S. and apparently able to make inroads into agencies whose personnel are so carefully screened as the FBI's."

Said Jim Bamford, author of *The Puzzle Palace*, a book on the National Security Agency, "Once you've sold one secret, you're hooked. They don't start by asking to get a top secret document. They usually ask for something innocuous, like a telephone directory. Once a person starts, they're hooked at that point."

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